

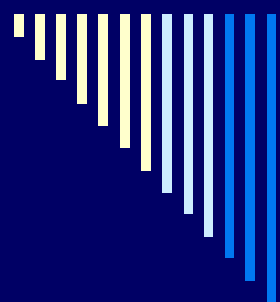

Elder Financial Abuse and Its Impact



**Betty F. Malks, M.S.W., CSW, Santa Clara County, Director of Aging
and Adult Services, Social Services Agency
2006 Senior Summit
May 12, 2006**

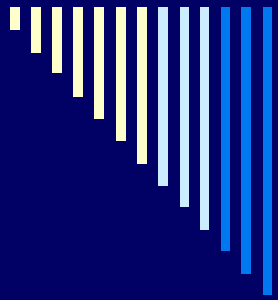


FINANCIAL ABUSE



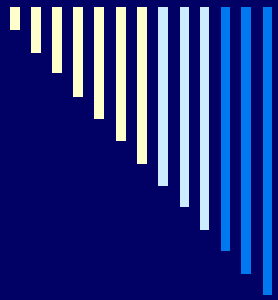
Welfare and Institutions Code 15610.30

Financial Abuse is essentially when a person (or entity) takes, secretes, appropriates, or retains the real or personal property of an elder or dependent adult.



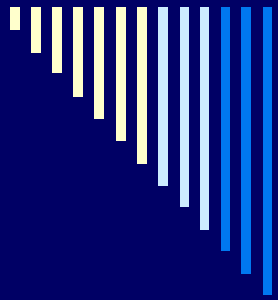
Impact of Financial Abuse

- ❑ JAMA study which shows that elder victims of financial abuse have a 3 times higher mortality rate than non-victims
- ❑ Older victims unlikely to recover financial situation as compared to younger victims
- ❑ Victims will likely be prematurely institutionalized
- ❑ Increased reliance on Public Welfare Programs



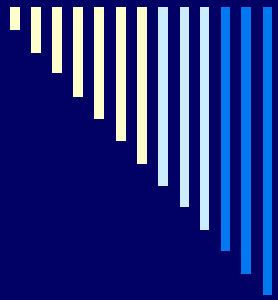
Under Reporting

- 1 in 14 incidences of abuse are reported
- 1 in 100 incidences of financial abuse are reported



WHY?

- ❑ Shame
- ❑ Embarrassment
- ❑ Dependence on perpetrator
- ❑ Cognitive Issues
- ❑ Doesn't know that the "taking" occurred



Financial Abuse Facts

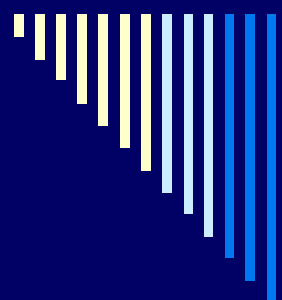
- ❑ 60-90% of perpetrators are adult children or other family member
- ❑ 25-33% of APS caseloads in each county in California are financial abuse
- ❑ Once the money begins to move it is difficult to track and retrieve



A Local Perspective

- Median price of a single family home:
\$714,250 (San Jose Mercury News)
- Numerous bids to purchase are common
- Houses have sold well over asking price





Elder Financial Abuse Vulnerability Quotient

Increased Aging Population

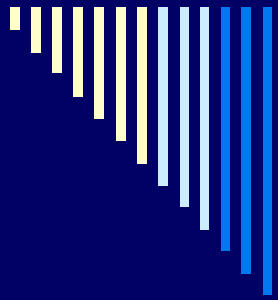
+

Concentration of Wealth among elderly

=

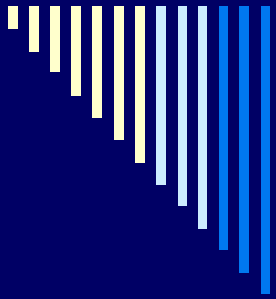
Financial Abuse Vulnerability.

Betty F. Malks



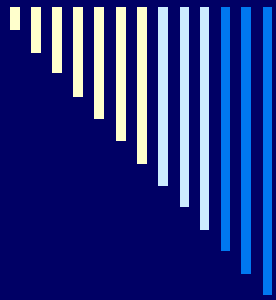
U.S. Statistics

- As of 2004, 3.8 million elders (65+) live in California (*US census 2004 estimates*). It is projected that by 2020 the number of elders (65+) will be 6.5 million (*CA Strategic plan on Aging*)
- As of the 2000 census the US population is 293.655 million. 12.4% of these are elders 65 and older (36 million+)
- As the elderly population increases so will the incidence of abuse



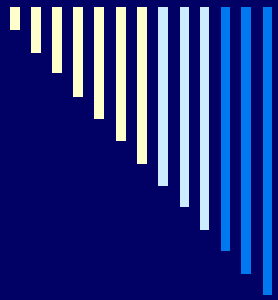
U.S. Statistics

- It is estimated only 1 in 14 incidences of abuse is reported and with financial abuse it is estimated to be 1 in 100
- Elders are likely to hide abuse because of shame, humiliation and fear of retaliation or placement in a nursing home. Often we here elders say “I didn’t raise my children to do this to me.”



U.S. Statistics

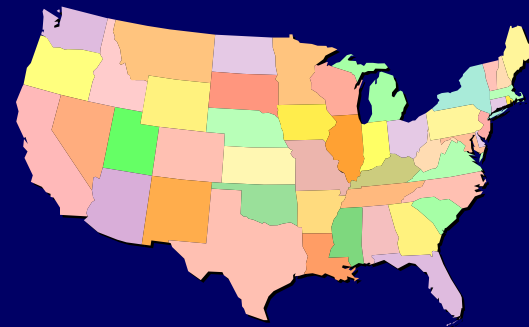
- ❑ California is a State of great prosperity – California alone is considered the 6th largest economy in the world.
- ❑ An estimated 80% elder abuse incidents (all forms including self-neglect and physical abuse) are never reported.
- ❑ Of the financial abuse cases reported, few are investigated, and only a handful are prosecuted or reach the court system.

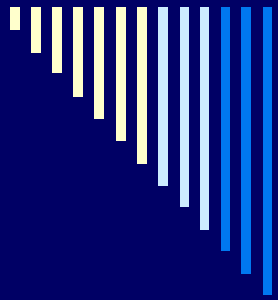


U.S. Statistics

- Since persons over 50 control at least 70% of the nation's household net worth, they are frequent targets for exploiters
- Victims are typically female, frail and mentally impaired; 75% are between the ages of 70 and 89

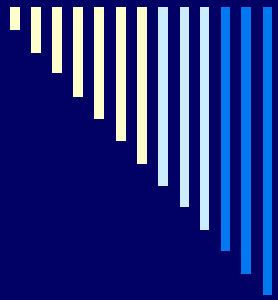
(according to Wisconsin study)





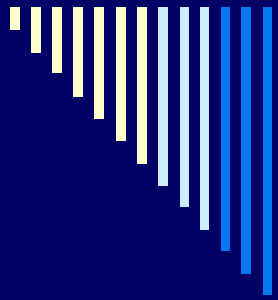
Impact of Elder Financial Abuse

- ❑ JAMA study which shows that elder victims of financial abuse have a 3 times higher mortality rate than non-victims
- ❑ Older victims unlikely to recover financial situation as compared to younger victims
- ❑ Victims will likely be prematurely institutionalized
- ❑ Increased reliance on Public Welfare Programs



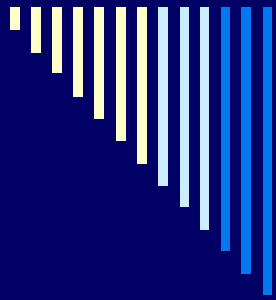
WHY IS ELDER ABUSE UNDER REPORTED?

- ☐ Shame
- ☐ Embarrassment
- ☐ Dependence on perpetrator
- ☐ Cognitive Issues
- ☐ Doesn't know that the "taking" occurred



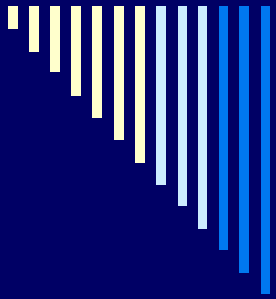
Financial Abuse Facts

- ❑ 60-90% of perpetrators are adult children or other family member
- ❑ 25-33% of APS caseloads in each county in California are financial abuse
- ❑ Once the money begins to move it is difficult to track and retrieve



Scams

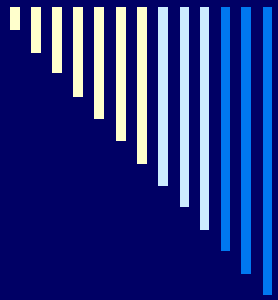
- Sweetheart
- Nigerian
- Canadian Lottery
- Transient Criminal Activity



FAST Team

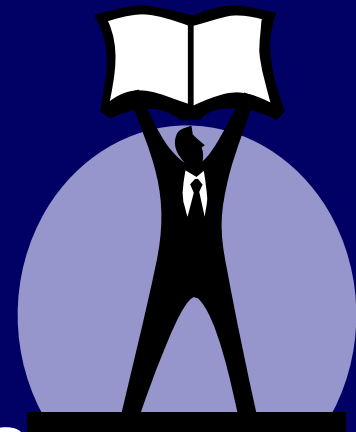
- **Adult Protective Services**
- **Public Guardian**
- **District Attorney**
- **County Counsel**

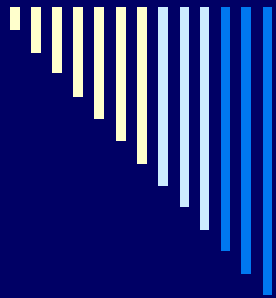




About FAST

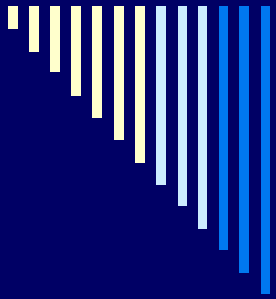
- ❑ **Multi-Disciplinary Team**
- ❑ **Rapid Response**
- ❑ **Immediate Intervention**
- ❑ **Preserves, Protects, Recovers**





What Works

- ❑ Prevention is the Key
- ❑ Rapid response is the solution. The FAST team responds within hours and is available 24 hours a day, seven days a week
- ❑ The ability to intervene and freeze assets before the elder or dependent adult becomes financially destitute
- ❑ Early intervention often facilitates favorable case resolution and avoids costly and protracted criminal and civil litigation



FAST Criteria

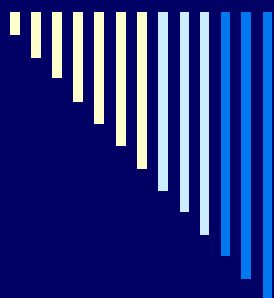


Nature of the relationship existing between victim and suspect

- Fiduciary relationship
- There is a history of abuse-victim has been victimized in the past

Involvement of FAST would increase likelihood of successful outcome because

- Expertise of FAST would be helpful
- FAST has the resources to gather evidence, fully investigate case, file charges/file lawsuit etc.



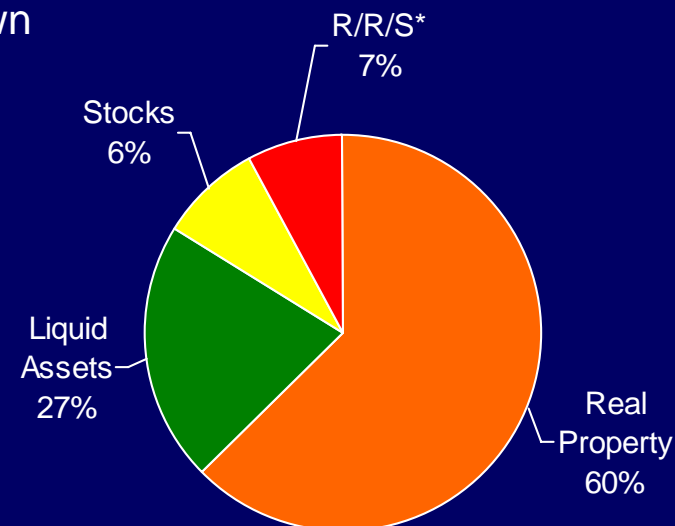
FAST Accomplishments



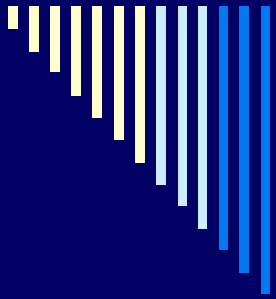
Financial Abuse Specialist Team (FAST)

FAST recovered and/or prevented the loss of \$127 million, received one of six Crown Communities Awards, and has been profiled in American City and County Magazine

Real Property	\$79,417,800
Liquid Assets	\$27,360,508
Stocks and Bonds	\$10,344,569
R/R/S	\$9,964,319
TOTAL	\$127,087,196



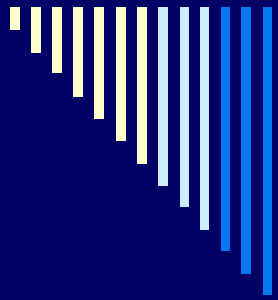
*Restitution/Recovery/Settlement



Why It Works

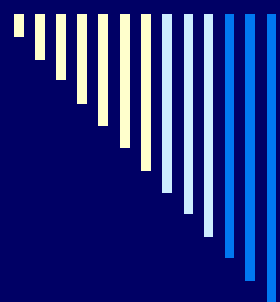
Partnership between:

- Adult Protective Services
- Public Administrator/Guardian
- County Counsel
- District Attorney



Why It Works

- Partnership increases each person's effectiveness
- Everyone is clear of role
- Ability to arrest is important in preventing imminent abuse



Financial Institutions Team (FIT)

The goal of this project, through collaboration with banks and financial institutions, is to increase knowledge about the escalating threat of financial abuse among our elderly population and to combat this crime.



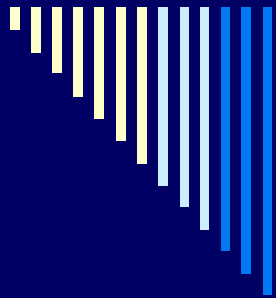


Financial Institutions Team

What does FIT do?



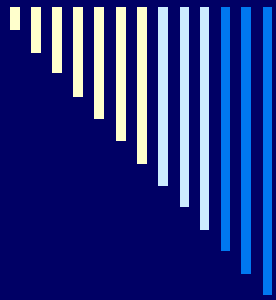
- ☐ Provide education and training for frontline staff
- ☐ Help them understand the importance of early detection and early notification, and the coordination of agencies.
- ☐ Provide handouts, resources and videos
- ☐ Help financial institutions set up policies and procedures to effectively deal with members/clients vulnerable to abuse
- ☐ Prevent losses and preserve member /client assets
- ☐ Financial institutions are a necessary arm to successful investigation and prosecution of financial abusers



Financial Institutions Team What Worked?



- ❑ Started with an institution with high credibility, good collaborative skills and who had something already in place but needed guidance from Adult Protective Services (APS)
- ❑ Created collaborative working environment with the financial institutions. They had someone to call for guidance and support who was willing to help.
- ❑ Established regular working meetings to network and had joint trainings with credit union/bank attorneys and county counsels regarding privacy and confidentiality issues
- ❑ Once established, it was then easy to help other financial institutions put policies and procedures in place



TYPICAL SCAMS

- ❖ Annuity Scams
- ❖ Banking Scams
- ❖ Canadian phone lottery
- ❖ Medi-Cal scams
- ❖ Nigerian
- ❖ Roofing and other home repair scams
- ❖ Staged auto accidents
- ❖ Sweetheart scams
- ❖ Vehicle theft